



Senate

General Assembly

File No. 851

January Session, 2009

Substitute Senate Bill No. 1111

Senate, April 30, 2009

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING AUTHORIZATION OF STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS AND CONCERNING CHANGES TO THE STATUTES CONCERNING SCHOOL BUILDING PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (*Effective from passage*) The Commissioner of Education,
- 2 having reviewed applications for state grants for public school
- 3 building projects in accordance with section 10-283 of the general
- 4 statutes on the basis of priorities for such projects and standards for
- 5 school construction established by the State Board of Education, and
- 6 having prepared a listing of all such eligible projects ranked in order of
- 7 priority, including a separate schedule of previously authorized
- 8 projects which have changed substantially in scope or cost, as
- 9 determined by said commissioner together with the amount of the
- 10 estimated grant with respect to each eligible project, and having
- 11 submitted such listing of eligible projects, prior to December 15, 2008,
- 12 to a committee of the General Assembly established under section

13 10-283a of the general statutes for the purpose of reviewing such
14 listing, is hereby authorized to enter into grant commitments on behalf
15 of the state in accordance with said section 10-283 with respect to the
16 priority listing of such projects and in such estimated amounts as
17 approved by said committee prior to February 1, 2009, as follows:

18 (1) Estimated Grant Commitments.

T1	School District	Estimated	Estimated
T2	School	Project Costs	Grant
T3	Project Number		
T4			
T5	BRIDGEPORT		
T6	Longfellow School		
T7	0167 EA	\$ 27,689,933	\$ 22,052,263
T8			
T9	HARTFORD		
T10	Barbour School conv. to Journalism		
T11	High School		
T12	0296 EA/RR	37,450,000	29,960,000
T13			
T14	NEWINGTON		
T15	Newington High Sch. (Field House)		
T16	0096 EA	1,150,000	624,335
T17			
T18	NEWTOWN		
T19	Newtown High School		
T20	0112 EA	47,621,454	14,967,423
T21			
T22	BRIDGEPORT		
T23	Roosevelt School		
T24	0166 N	44,739, 945	35,630,892
T25			
T26	HARTFORD		
T27	Quirk Middle Sch. Conv. to		
T28	Baccalaureate School		

	sSB1111		File No. 851
T29	0294 A/EC	55,050,000	44,040,000
T30			
T31	MANCHESTER		
T32	Highland Park School		
T33	0224 EA/RR	8,490,000	5,518,500
T34			
T35	NAUGATUCK		
T36	Naugatuck High School		
T37	0062 A	1,880,000	1,410,000
T38			
T39	WATERBURY		
T40	Wilby High/North End Middle Schs.		
T41	0274 A/EC	6,700,000	5,264,190
T42			
T43	WATERBURY		
T44	Carrington School		
T45	0275 EA	34,700,000	27,263,790
T46			
T47	WATERBURY		
T48	Allied Health Mfg. & Mech. Arts		
T49	0276 N	63,846,000	50,163,802
T50			
T51	REGIONAL SCHOOL DISTRICT 14		
T52	Nonnewaug High School (Vo-Ag)		
T53	0089 VE	246,725	234,389
T54			
T55	BRIDGEPORT		
T56	Cross School		
T57	0165 A/EC	7,396,762	5,890,781
T58			
T59	CROMWELL		
T60	Cromwell Middle School		
T61	0048 A/EC/RR	2,463,000	1,248,987
T62			
T63	CROMWELL		

T64	Edna C. Stevens School		
T65	0049 A/EC/RR	3,695,000	1,873,735
T66			
T67	FAIRFIELD		
T68	Riverfield School		
T69	0117 EC	527,775	135,691
T70			
T71	FAIRFIELD		
T72	Dwight Elementary School		
T73	0118 EC	475,000	120,460
T74			
T75	FRANKLIN		
T76	Franklin Elementary School		
T77	0011 A/EC/RR	1,588,527	890,687

19 (2) Previously Authorized Projects That Have Changed
 20 Substantially in Scope or Cost which are Seeking First Reauthorization.

T78	School District	Authorized	Requested
T79	School		
T80	Project Number		
T81			
T82	BLOOMFIELD		
T83	Laurel School		
T84	011-0076 EA		
T85			
T86	Estimated...		
T87	Total Project Costs	\$ 11,027,600	\$ 17,014,800
T88	Total Grant	5,474,101	8,446,147
T89			
T90	BLOOMFIELD		
T91	Metacomet School		
T92	011-0078 EA		
T93			
T94	Estimated...		
T95	Total Project Costs	9,683,300	12,837,100
T96	Total Grant	4,806,790	6,372,336

T97			
T98	COVENTRY		
T99	George Hersey Robertson School		
T100	032-0055 CV		
T101			
T102	Estimated...		
T103	Total Project Costs	317,358	421,858
T104	Total Grant	194,953	259,147
T105			
T106	COVENTRY		
T107	Coventry Grammar School		
T108	032-0056 CV		
T109			
T110	Estimated...		
T111	Total Project Costs	215,359	370,159
T112	Total Grant	132,295	227,389
T113			
T114	DANBURY		
T115	Danbury Head Start Center		
T116	034-0133 PF/EA		
T117			
T118	Estimated...		
T119	Total Project Costs	7,500,000	8,934,851
T120	Total Grant	4,017,750	4,786,400
T121			
T122	EAST LYME		
T123	Lillie B. Haynes School		
T124	045-0057 EC		
T125			
T126	Estimated...		
T127	Total Project Costs	500,000	792,083
T128	Total Grant	244,650	387,566
T129			
T130	ELLINGTON		
T131	Crystal Lake School		
T132	048-0054 CV		
T133			
T134	Estimated...		
T135	Total Project Costs	300,000	460,000
T136	Total Grant	181,080	277,656
T137			
T138	GREENWICH		

T139	Hamilton Avenue School		
T140	057-0109 EA		
T141			
T142	Estimated...		
T143	Total Project Costs	24,410,000	30,205,000
T144	Total Grant	4,882,000	6,041,000
T145			
T146	HARTFORD		
T147	Capital College Prep Magnet		
T148	064-0290 MAG/EA		
T149			
T150	Estimated...		
T151	Total Project Costs	41,070,000	41,070,000
T152	Total Grant	39,016,500	39,016,500
T153			
T154	HARTFORD		
T155	Fisher Magnet School		
T156	064-0291 MAG/EA		
T157			
T158	Estimated...		
T159	Total Project Costs	38,438,000	45,500,000
T160	Total Grant	36,516,100	43,225,000
T161			
T162	MILFORD		
T163	Joseph A. Foran High School		
T164	084-0174 A/EC		
T165			
T166	Estimated...		
T167	Total Project Costs	3,800,000	8,000,000
T168	Total Grant	1,493,020	3,143,200
T169			
T170	MILFORD		
T171	Jonathan Law High School		
T172	084-0175 A/EC		
T173			
T174	Estimated...		
T175	Total Project Costs	2,400,000	4,800,000
T176	Total Grant	942,960	1,885,920
T177			
T178	NEW HAVEN		
T179	Metropolitan Business Magnet		
T180	093-0350 MAG/N		

T181			
T182	Estimated...		
T183	Total Project Costs	34,204,450	42,700,000
T184	Total Grant	32,494,228	40,565,000
T185			
T186	NEW HAVEN		
T187	Davis Street Magnet School		
T188	093-0354 MAG/N		
T189			
T190	Estimated...		
T191	Total Project Costs	30,400,000	45,500,000
T192	Total Grant	28,880,000	43,225,000
T193			
T194	NORWALK		
T195	Ponus Ridge Middle School		
T196	103-0238 A/EC		
T197			
T198	Estimated...		
T199	Total Project Costs	6,803,658	7,610,000
T200	Total Grant	2,332,974	2,609,469

- 21 (3) Previously Authorized Project That Has Changed Substantially
 22 in Scope or Cost which is Seeking Second Reauthorization.

T201	School District	Authorized	Requested
T202	School		
T203	Project Number		
T204			
T205	DANBURY		
T206	Roberts Avenue Elementary School		
T207	034-0130 N		
T208			
T209	Estimated...		
T210	Total Project Costs	\$ 20,600,000	\$ 27,100,000
T211	Total Grant	10,153,740	13,357,590
T212			
T213	NEW HAVEN		
T214	Sheriden (PK-8) Interdistrict Magnet		
T215	093-0349 MAG/EA		
T216			
T217	Estimated...		

T218	Total Project Costs	39,000,000	47,500,000
T219	Total Grant	39,000,000	47,500,000

23 (4) Previously Authorized Projects For the Regional Vocational-
 24 Technical School System That Have Changed Substantially in Scope or
 25 cost Which are Seeking Reauthorization.

T220	School District	Authorized	Requested
T221	School		
T222	Project Number		
T223			
T224	CTHSS (Waterbury)		
T225	W. F. Kaynor		
T226	900-0006 VT/EA		
T227			
T228	Estimated...		
T229	Total Project Costs	\$ 60,070,645	\$ 67,770,645
T230	Total Grant	60,070,645	67,770,645
T231			
T232	CTHSS (Stamford)		
T233	J. M. Wright		
T234	900-0010 VT/EA		
T235			
T236	Estimated...		
T237	Total Project Costs	40,023,991	90,230,942
T238	Total Grant	40,023,991	90,230,942
T239			
T240	CTHSS (Meriden)		
T241	H. C. Wilcox		
T242	900-0011 VT/EA		
T243			
T244	Estimated...		
T245	Total Project Costs	60,265,000	77,568,765
T246	Total Grant	60,265,000	77,568,765
T247			
T248	CTHSS (Ansonia)		
T249	Emmett O'Brien		
T250	900-0012 VT/EA		
T251			
T252	Estimated...		
T253	Total Project Costs	52,367,000	77,746,501
T254	Total Grant	52,367,000	77,746,501

26 Sec. 2. Subdivision (1) of subsection (a) of section 10-264h of the
27 general statutes is repealed and the following is substituted in lieu
28 thereof (*Effective July 1, 2009*):

29 (a) (1) For the fiscal year ending June 30, 1996, until the fiscal year
30 ending June 30, 2003, a local or regional board of education, regional
31 educational service center or a cooperative arrangement pursuant to
32 section 10-158a for purposes of an interdistrict magnet school may be
33 eligible for reimbursement up to the full reasonable cost of any capital
34 expenditure for the purchase, construction, extension, replacement,
35 leasing or major alteration of interdistrict magnet school facilities,
36 including any expenditure for the purchase of equipment, in
37 accordance with this section. (A) For the fiscal year ending June 30,
38 2004, and each fiscal year thereafter, such entities, and (B) for the fiscal
39 year ending June 30, 2008, and each fiscal year thereafter, the following
40 entities that operate an interdistrict magnet school that assists the state
41 in meeting the goals of the 2008 stipulation and order for Milo Sheff, et
42 al. v. William A. O'Neill, et al., as determined by the commissioner: (i)
43 The Board of Trustees of the Community-Technical Colleges on behalf
44 of a regional community-technical college, (ii) the Board of Trustees of
45 the Connecticut State University System on behalf of a state university,
46 (iii) the Board of Trustees for The University of Connecticut on behalf
47 of the university, (iv) the board of governors for an independent
48 college or university, as defined in section 10a-37, or the equivalent of
49 such a board, on behalf of the independent college or university, and
50 (v) any other third-party not-for-profit corporation approved by the
51 commissioner may be eligible for reimbursement up to ninety-five per
52 cent of such cost. To be eligible for reimbursement under this section a
53 magnet school construction project shall meet the requirements for a
54 school building project established in chapter 173, except that the
55 Commissioner of Education may waive any requirement in such
56 chapter for good cause. On and after July 1, 1997, the commissioner
57 shall approve only applications for reimbursement under this section
58 that he finds will reduce racial, ethnic and economic isolation. On and
59 after July 1, 2009, applications for reimbursement under this section for

60 the construction of new interdistrict magnet schools shall not be
61 accepted until the commissioner approves a comprehensive state-wide
62 interdistrict magnet school plan, unless the commissioner determines
63 that such construction will assist the state in meeting the goals of the
64 2008 stipulation and order for Milo Sheff, et al. v. William A. O'Neill, et
65 al.

66 Sec. 3. Subsection (c) of section 10-286 of the general statutes is
67 repealed and the following is substituted in lieu thereof (*Effective July*
68 *1, 2009*):

69 (c) In the computation of grants pursuant to this section for any
70 school building project authorized by the General Assembly pursuant
71 to section 10-283 (1) after January 1, 1993, any maximum square
72 footage per pupil limit established pursuant to this chapter or any
73 regulation adopted by the State Board of Education pursuant to this
74 chapter shall be increased by twenty-five per cent for a building
75 constructed prior to 1950; (2) after January 1, 2004, any maximum
76 square footage per pupil limit established pursuant to this chapter or
77 any regulation adopted by the State Board of Education pursuant to
78 this chapter shall be increased by up to one per cent to accommodate a
79 heating, ventilation or air conditioning system, if needed; [and] (3)
80 [after] for the period from July 1, 2006, to June 30, 2009, inclusive, for
81 projects with total authorized project costs greater than ten million
82 dollars, if total construction change orders or other change directives
83 otherwise eligible for grant assistance under this chapter exceed five
84 per cent of the authorized total project cost, only fifty per cent of the
85 amount of such change order or other change directives in excess of
86 five per cent shall be eligible for grant assistance; and (4) after July 1,
87 2009, for projects with total authorized project costs greater than ten
88 million dollars, if total construction change orders or other change
89 directives otherwise eligible for grant assistance exceed five per cent of
90 the total authorized project cost, such change order or other change
91 directives in excess of five per cent shall be ineligible for grant
92 assistance.

93 Sec. 4. Section 10-284 of the general statutes is repealed and the
94 following is substituted in lieu thereof (*Effective July 1, 2009*):

95 (a) The Commissioner of Education shall have authority to receive,
96 review and approve applications for state grants under this chapter, or
97 to disapprove any such application if (1) it does not comply with the
98 requirements of the State Fire Marshal or the Department of Public
99 Health, (2) it is not accompanied by a life-cycle cost analysis approved
100 by the Commissioner of Public Works pursuant to section 16a-38, (3) it
101 does not comply with the provisions of sections 10-290d and 10-291,
102 [or] (4) it does not meet the standards or school building priorities
103 established by the State Board of Education, or (5) the commissioner
104 determines that the proposed educational specifications for or theme
105 of the project for which the applicant requests a state grant duplicates a
106 program offered by a vocational-technical school or an interdistrict
107 magnet school in the same region.

108 (b) (1) The Commissioner of Education may also disapprove such a
109 grant application: (A) For a project for which the General Assembly
110 authorized a grant commitment prior to June 14, 1984, if the town or
111 regional school district has not begun construction, as defined in
112 section 10-282, by July 1, 1987; or (B) for any other project if the town
113 or regional school district has not begun construction, as defined in
114 section 10-282, within two years after the effective date of the act of the
115 General Assembly authorizing the Commissioner of Education to enter
116 into grant commitments for such projects as provided in sections 10-
117 283 and 10-283a.

118 (2) Prior to disapproval of an application under the provisions of
119 subparagraph (A) of subdivision (1) of this subsection, the
120 commissioner shall give written notice of the pending disapproval by
121 mail to (A) the school building committee formed in connection with
122 the application, (B) the local or regional board of education, and (C) if
123 the applicant is a local board, to the chief executive officer of the town
124 or if the applicant is a regional board, to the chief executive officer of
125 each of the district's member towns. The notice shall be given twice.

126 The first such notice shall be mailed not later than September 1, 1986,
127 and the second notice shall be mailed not later than March 1, 1987.

128 (c) When any such application is approved, said commissioner shall
129 certify to the Comptroller the amount of the grant for which the town
130 or regional school district is eligible under this chapter and the amount
131 and time of the payment thereunder. Upon receipt of such certification,
132 the Comptroller is authorized and directed to draw his order on the
133 Treasurer in such amount and at such time as certified by said
134 commissioner.

135 Sec. 5. Section 10-283b of the general statutes is repealed and the
136 following is substituted in lieu thereof (*Effective July 1, 2009*):

137 (a) On and after July 1, 1999, the Commissioner of Education shall
138 include school building projects for the regional vocational-technical
139 schools on the list developed pursuant to section 10-283. Prior to
140 inclusion on the list, such projects shall be reviewed by the Department
141 of Public Works. The adoption of the list by the General Assembly and
142 authorization by the State Bond Commission of the issuance of bonds
143 pursuant to section 10-287d shall fund the full cost of the projects. On
144 or after July 1, 2007, the commissioner may approve applications for
145 grants to assist school building projects for the regional vocational-
146 technical school system to remedy damage from fire and catastrophe,
147 to correct safety, health and other code violations, to replace roofs, to
148 remedy a certified school indoor air quality emergency, or to purchase
149 and install portable classroom buildings at any time within the limit of
150 available grant authorization and to make payments on such a project
151 within the limit of appropriated funds, provided portable classroom
152 building projects do not create a new facility or cause an existing
153 facility to be modified so that the portable buildings comprise a
154 substantial percentage of the total facility area, as determined by the
155 commissioner. Funds for the projects shall be transferred to the
156 Department of Public Works and, upon such transfer, the projects shall
157 be subject to the requirements of chapters 59 and 60. On and after July
158 1, 2009, vocational-technical school building projects shall begin

159 construction not later than one hundred twenty days after final
 160 approval of plans and specifications for the project.

161 (b) The Department of Public Works shall ensure that an architect
 162 and a construction manager or construction administrator hired to
 163 work on a project pursuant to subsection (a) of this section are not
 164 related persons as defined in subdivision (18) of subsection (a) of
 165 section 12-218b.

166 Sec. 6. Subdivision (4) of subsection (b) of section 10-286 of the
 167 general statutes is repealed and the following is substituted in lieu
 168 thereof (*Effective July 1, 2009*):

169 (4) Commencing with the school construction projects authorized by
 170 the General Assembly during the fiscal year ending June 30, 1985, and
 171 for all such projects so authorized thereafter, the calculation of grants
 172 pursuant to this section shall be made in accordance with the state
 173 standard space specifications in effect at the time of the final grant
 174 calculation, except that (A) on and after July 1, 2005, in the case of a
 175 school district with an enrollment of less than one hundred fifty
 176 students in grades kindergarten to grade eight, inclusive, state
 177 standard space specifications shall not apply in the calculation of
 178 grants pursuant to this section and the Commissioner of Education
 179 may modify the standard space specifications for a project in such
 180 district, and (B) in the case of a school with students in grades
 181 kindergarten to grade eight, inclusive, state standard space
 182 specifications applied in the calculation of grants pursuant to this
 183 section shall be those applied to grades five through eight.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2009</i>	10-264h(a)(1)
Sec. 3	<i>July 1, 2009</i>	10-286(c)
Sec. 4	<i>July 1, 2009</i>	10-284
Sec. 5	<i>July 1, 2009</i>	10-283b
Sec. 6	<i>July 1, 2009</i>	10-286(b)(4)

ED *Joint Favorable Subst. C/R*

FIN

FIN *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Education, Dept.	GF - See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 10 \$	FY 11 \$
Various Municipalities	See Below	See Below	See Below

Explanation

Section 1 of the bill approves state grant commitments for school construction projects on the education commissioner's project priority list. This section authorizes \$247.3 million in state grant commitments for 39 new school construction projects of various types. It also reauthorizes a total of 21 previously authorized projects. These projects have changed substantially (more than 10%) in cost or scope. The reauthorizations increase state grant commitments by a net \$151.2 million from the amounts previously authorized for these projects. The total cost of the list is anticipated to be approximately \$607.7 million; this includes \$398.5 million in principal payments, and \$209.2 million in interest payments.

Section 2 of the bill bars the education commissioner from approving state school construction grants for constructing new interdistrict magnet schools (excluding magnet schools that help to meet the goals of the *Sheff v. O'Neill*). This section will result in a potential significant savings to the State Department of Education (SDE), associated with decreased debt service and decreased liability for magnet school operating grants.

Sections 3 and 4 make changes to the school construction process, which are anticipated to result in a potential significant savings to local and regional boards of education as well as SDE, associated with denying reimbursement to a school district for project change orders exceeding 5% of the project's total authorized costs and rejecting an application for a local school project if the theme duplicates a program offered at a vocational-technical school or interdistrict magnet school in the same region. The actual savings would be dependent upon the number of projects.

Section 5 requires the state to start construction on authorized vocational-technical school building projects no later than 120 days after final approval of plans and specifications for the project. This section could potentially eliminate the short-term savings associated with delaying a construction project at a technical high school, but will avoid any long term additional costs associated with the increased costs of construction that often result due to inflation when projects are delayed.

Section 6 requires SDE to apply the space standards for grades 5-8 to an entire project for a K-8 school, increasing the eligible reimbursement for such a project. This section results in a significant cost to the state as the total square footage of a K-8 school eligible for school construction grant assistance increases.

For example, if a community currently has a new K-8 school in the planning phase, with the highest projected 8 year enrollment of 900 students, based on the current space standards, the maximum eligible area of this facility is 121,600 square feet. Under the proposed modification the maximum area would increase to 143,100 square feet, an increase of 21,500 square feet. If the school is redesigned at the higher space standard, based on the currently estimated total project cost (exclusive of site acquisition) of \$450 per square foot, this would increase the total estimated cost of the project by approximately \$9.7 million. Based on the town in which the school is located, the corresponding reimbursement rate of the municipality would apply to

the increased cost of the project, and the state would incur an increased cost associated with the reimbursement.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 1111****AN ACT CONCERNING AUTHORIZATION OF STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS AND CONCERNING CHANGES TO THE STATUTES CONCERNING SCHOOL BUILDING PROJECTS.****SUMMARY:**

This bill authorizes \$398.5 million in state grant commitments for school construction projects, including increased grants for reauthorized projects that have changed in cost or scope by at least 10%. It also:

1. places a moratorium on approving grants for building new interdistrict magnet schools until the education commissioner adopts a statewide plan for magnet schools, but exempts magnet schools that help the state meet the requirements of the *Sheff v. O'Neill* desegregation settlement;
2. bars the state from reimbursing a school district for project change orders exceeding 5% of the project's total authorized costs;
3. allows the education commissioner to reject an application for a local school project if its proposed educational specifications or theme duplicates a program offered at a vocational-technical school or interdistrict magnet school in the same region (§ 4);
4. requires the state to start construction on authorized vocational-technical school building projects no later than 120 days after final approval of plans and specifications for the project (§ 5); and
5. increases the maximum allowable square footage counted as

eligible for a state grant reimbursement when the project is a K-8 school.

EFFECTIVE DATE: July 1, 2009, except for the grant commitments, which are effective on passage.

§ 1 — PROJECT GRANT COMMITMENTS

The bill approves state grant commitments for school construction projects on the education commissioner's 2009 project priority list. It authorizes new grants for 18 school projects and grant increases for 21 previously authorized projects that have changed by more than 10% in cost or scope. Grant commitments for new projects total \$247.3 million. The net increase in grant commitments for reauthorized projects is \$151.2 million.

§ 2 — MAGNET SCHOOL MORATORIUM

Starting July 1, 2009, the bill bars the education commissioner from approving state school construction grants for constructing new interdistrict magnet schools. The moratorium lasts until the commissioner approves a comprehensive statewide magnet school plan. The moratorium does not apply to magnet schools that help the state meet the goals of the 2008 *Sheff v. O'Neill* settlement, as determined by the commissioner.

§ 3 — LIMIT ON CHANGE ORDERS

Starting July 1, 2009, for school projects costing more than \$10 million, the bill bars state reimbursement for construction change orders and other change directives that exceed 5% of the total authorized project cost. Under current law, change orders exceeding 5% of the authorized cost of such projects are reimbursed at 50% of the otherwise eligible amount.

A change order is an amendment to a school construction project that does not have to be publicly bid but must be approved in advance by the State Department of Education (SDE). SDE guidelines state that districts should use change orders only for unforeseen or emergency conditions and that such changes should total no more than 10% of the

original project price. Changes that exceed 10% require legislative reauthorization.

§ 6 — SPACE STANDARDS FOR K-8 SCHOOLS

By law, SDE must calculate school construction grants using standard space specifications established in department regulations. The specifications set the maximum per-student square footage that the state will fund. The square footage limits depend on the grade and the school's projected enrollment (see BACKGROUND).

This bill requires SDE to apply the space standards for grades 5-8 to an entire project for a K-8 school, thus effectively increasing the eligible reimbursement for such a project. Since the maximum allowable square footage per-student increases in the higher grades, applying the maximums for the higher grades to the space for grades K through 4 increases the overall eligible space.

The bill does not specify how the department must apply the standards for grades 5, 6, 7, and 8 to the lower grades. Presumably, the SDE will determine the exact calculation method.

BACKGROUND

School Construction Space Standards

When computing the state grant for a school construction project, the SDE currently uses a table to calculate the maximum allowable square footage per pupil for a project (see Table 1). After calculating the maximum allowable space, the department compares that maximum to the project's actual per-pupil square footage. If the ratio is less than one, the building is considered oversized for grant purposes. Thus, the SDE applies that ratio to all eligible project costs other than site or building purchase costs to compute the grant reduction.

Table 1: State Standard Space Specifications

<i>Projected Enrollment</i>	<i>Grades</i>			
	PreK-4	5-6	7-9	10-12
0-350	124	156	180	194
351-750	120	152	176	190

751-1,500	116	148	170	184
Over 1,500	112	142	164	178

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference

Yea 32 Nay 0 (04/01/2009)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 55 Nay 0 (04/16/2009)